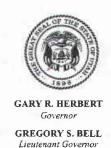
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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

August 13, 2012

David McMullin C.S. Mining, LLC 1208 South 200 West P.O. Box 608 Milford, Utah 84751

Subject: Tentative Approval of Amendment to Notice of Intention to Commence Large Mining

Operations, C.S. Mining LLC, Hidden Treasure Operations, M/001/0067, Beaver County, Utah

Dear Mr. McMullin:

The Division of Oil, Gas and Mining conditionally approves the amendment to the referenced Notice of Intention to Commence Large Mining Operations (Notice). Although the increase in surety is relatively large, the Division considers this change in the plan to be an amendment rather than a revision because there are no substantial changes to the operations that are currently approved. Prior to issuing final approval, we require that you provide us with:

- 1. A reclamation surety totaling \$3,228,000.00 which is an increase of \$1,628,000.00 over the current amount. Please contact Penny Berry at 801-538-5291 or by e mail at bondcoordinator@utah.gov to obtain the appropriate bonding forms.
- 2. If available, an electronic copy of the mine disturbed area in the original AutoCAD, shape, or other file format. Please include the projection and datum information with this file. Contact Dan Smith at danielsmith@utah.gov or 801-538-5292 for further information or questions.

Thank you for your cooperation and patience in completing this permitting process. If you have any questions regarding this letter, please contact me at 801-538-5261 or Tom Munson at 801-538-5321.

Sincerely

Paul B. Baker

Minerals Program Manager

PBB:tm:pb cc: eginouve@blm.gov

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